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12 *and CAB Enterprises, Inc.*

13 **UNITED STATES DISTRICT COURT**  
14 **CENTRAL DISTRICT OF CALIFORNIA**  
15 **WESTERN DIVISION**

17 SUEROS & BEBIDAS  
REHIDRATANTES, S.A. de C.V., a  
18 Mexican company, and CAB  
ENTERPRISES, INC., a Delaware  
19 corporation,

20  
21 Plaintiffs,

22 vs.

23  
24 MONARCAS CANDIES, a California  
corporation, and DOES 1-10,

25 Defendants.  
26  
27  
28

Case No. \_\_\_\_\_

**COMPLAINT**

**JURY DEMAND**

1 Plaintiffs Sueros & Bebidas Rehidratantes, S.A. de C.V. (“Sueros”) and CAB  
2 Enterprises, Inc. (“CAB”) (collectively “Plaintiffs”), by their attorneys and for their  
3 Complaint against Monarcas Candies (“Monarcas”) and DOES 1-10 (together, with  
4 Monarcas, “Defendants”), allege and state as follows:

5 **NATURE OF THE ACTION**

6 1. This is an anti-confusion and brand protection action to stop the unlawful  
7 importation, distribution, and sale by Defendants of unauthorized and materially  
8 different versions of Plaintiffs’ Electrolit® premium hydration beverage. Plaintiffs  
9 bring this action for injunctive and monetary relief for trademark infringement in  
10 violation of Section 32 of the Lanham Act (15 U.S.C. § 1114); false designations of  
11 origin in commerce in violation of Section 43 of the Lanham Act (15 U.S.C. § 1125);  
12 trademark dilution in violation of Section 43 of the Lanham Act (15 U.S.C. § 1125);  
13 California Trademark Dilution (Cal. Bus. & Prof. Code § 14247); Unfair Competition  
14 (Cal. Bus. Prof. Code § 17200 et seq.) and the common law; induced and contributory  
15 trademark infringement; and violations of common-law prohibitions against unjust  
16 enrichment.

17 2. Electrolit® is wildly popular in the U.S., where it is consumed by millions  
18 of U.S. consumers annually.

19 3. Unwitting U.S. consumers are being exposed to unlawful, mislabeled and  
20 unauthorized product being imported, distributed, advertised, offered for sale and sold  
21 by infringers and counterfeiters.

22 4. Genuine product authorized for sale under the Electrolit® name in the  
23 United States is different than Electrolit that is sold in other countries, including  
24 Mexico. Ingredients and labels differ in ways that are important to consumers.  
25 Additionally, genuine Electrolit® product is also always distributed under strict quality  
26 control protocols by Plaintiffs, which cannot be verified when non-genuine products  
27 travel through the hands of infringing resellers.  
28

1           5. In contrast to plaintiff CAB, the exclusive authorized U.S. distributor of  
2 Electrolit®, Defendants do not distribute and sell genuine U.S. Electrolit®. Instead,  
3 Defendants offer to sell, sell and distribute to unsuspecting and confused U.S.  
4 consumers unauthorized Electrolit-branded products that are materially different than  
5 genuine U.S. Electrolit® (“Unauthorized Electrolit”).

6           6. Plaintiffs have suffered and continue to suffer irreparable harm from  
7 Defendants’ actions.

8           7. Defendants’ activities are jeopardizing CAB’s relations with its authorized  
9 sub-distributors. Defendants offer to sell and sell infringing Unauthorized Electrolit to  
10 customers in the U.S. at prices that undercut genuine Electrolit®. As a result of  
11 unauthorized sales and/or distribution of Electrolit-branded products, several of CAB’s  
12 authorized sub-distributors have threatened to stop selling genuine Electrolit® sourced  
13 from CAB because these sub-distributors cannot compete against the low prices of  
14 Unauthorized Electrolit. Moreover, some sub-distributors—including ones located in  
15 California—already drastically reduced their orders of genuine U.S. Electrolit® from  
16 CAB, and a potential new distributor indicated that it would be unwilling to distribute  
17 genuine U.S. Electrolit® if the market is flooded with Unauthorized Electrolit. As a  
18 result, CAB’s relationships with its sub-distributors and potential new distributors are  
19 being irreparably harmed, and Defendants’ actions have prevented CAB from  
20 expanding its market.

21           8. The low price at which Defendants sell Unauthorized Electrolit is also both  
22 tarnishing the reputation of Plaintiffs and Electrolit® as a high quality and premium  
23 rehydration product and is causing an unsustainable race to the bottom on pricing that  
24 impacts Plaintiffs’ ability to price their product fairly. Worse, once price erosion caused  
25 by Defendants becomes prevalent, it will likely prove impossible as a practical matter  
26 for Plaintiffs to raise prices back to pre-erosion levels and re-solidify Plaintiffs’ brand  
27 as a high quality and premium rehydration product if Defendants’ infringement is not  
28 stopped.

1           9. In addition, Defendants’ actions are putting the health of U.S. consumers  
2 at risk. None of the unlawfully imported Unauthorized Electrolit products meet FDA  
3 requirements, including requirements governing label content, and they contain  
4 ingredients that are not present in genuine U.S. Electrolit®. Moreover, some of these  
5 ingredients are not required to be identified on labels of the Unauthorized Electrolit in  
6 the countries where those products are intended to be sold. Thus, even an English  
7 language translation of Unauthorized Electrolit labels would not identify all ingredients  
8 in those products.

9           10. To stop this unlawful and potentially dangerous conduct, and to recover  
10 the damages caused by it, Plaintiffs bring this action for injunctive and monetary relief.

11                           **THE PARTIES, JURISDICTION AND VENUE**

12           11. Plaintiff Sueros is a Mexican company with its principal place of business  
13 at Av. España No. 1840, Colonia Moderna, C.P. 44190, Guadalajara, Jalisco, Mexico.  
14 Sueros is the owner of the Electrolit trademarks (listed below) and trade dress associated  
15 with genuine U.S. Electrolit® described below.

16           12. Plaintiff CAB is a Delaware corporation with its principal place of business  
17 at 3201 Allen Parkway, Suite 100, Houston, TX 77019. CAB is the exclusive licensee  
18 in the United States for the trademarks and trade dress associated with genuine U.S.  
19 Electrolit®, including the Electrolit Marks, described below (collectively the “Electrolit  
20 Marks and Trade Dress”).

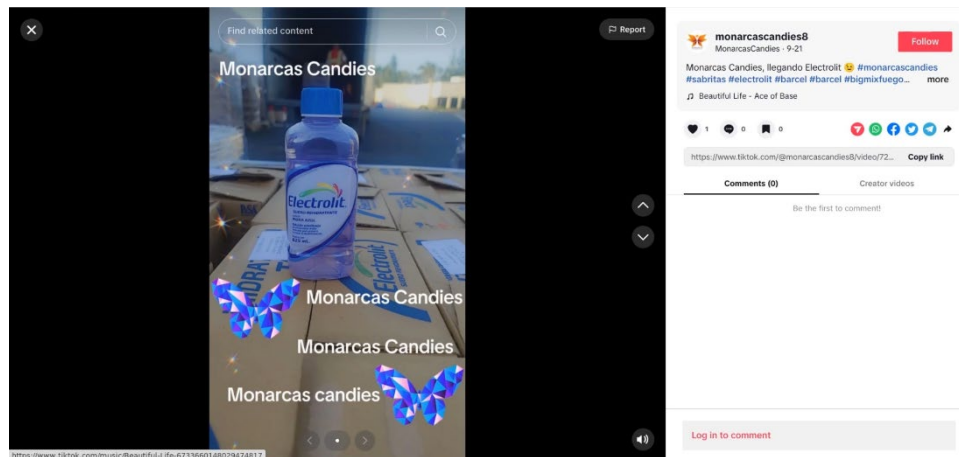
21           13. Defendant Monarcas Candies is a California corporation that conducts  
22 business at its facility at 9740 Alburdis Avenue Santa Fe Springs, CA 90670.

23           14. On information and belief, Monarcas used and uses the Electrolit Marks  
24 and Trade dress in commerce in connection with the sale or advertising of Unauthorized  
25 Electrolit without Plaintiffs’ consent and knowingly induced and contributed to such  
26 use by others.

15. For example, Monarcas uses Plaintiff's Electrolit Marks and Trade Dress on its website and social media posts in connection with the advertising, offer for sale and sale of Unauthorized Electrolit without Plaintiffs' consent:



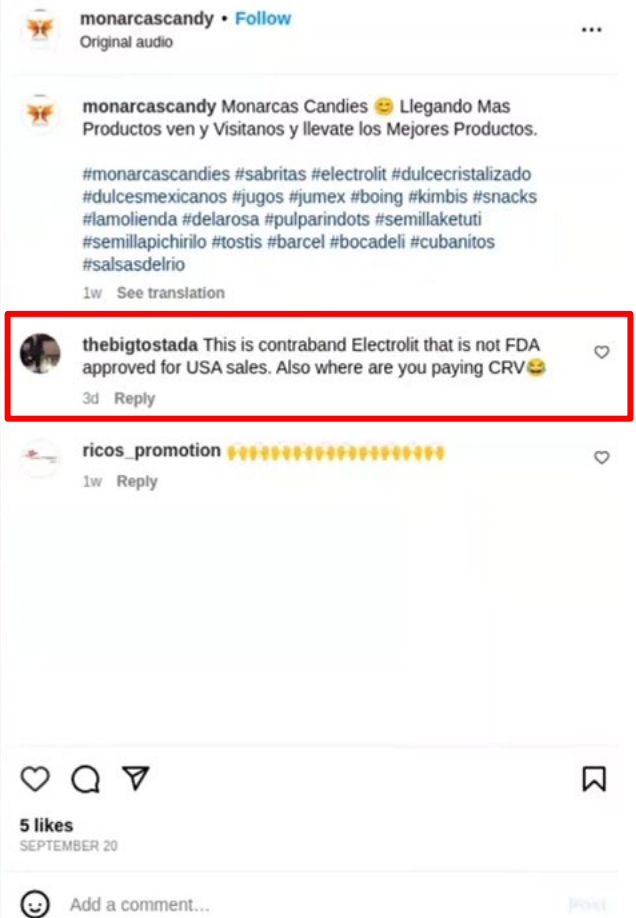
(<https://monarcascandies.com/producto/electrolit/>)



(<https://www.tiktok.com/@monarcascandies8/video/7281303913024769323>).

16. On information and belief, Monarcas committed and commits this infringement willfully and in bad faith, with actual knowledge of the infringing activity or at least with objective recklessness or willful blindness that its acts constituted, induced or contributed to infringement.

17. For example, at least once, Monarcas has been explicitly informed that the Unauthorized Electrolit that it sells is “contraband” and “not FDA approved for USA sales.”



(<https://www.instagram.com/p/Cxa1yxrx5Vs/>)

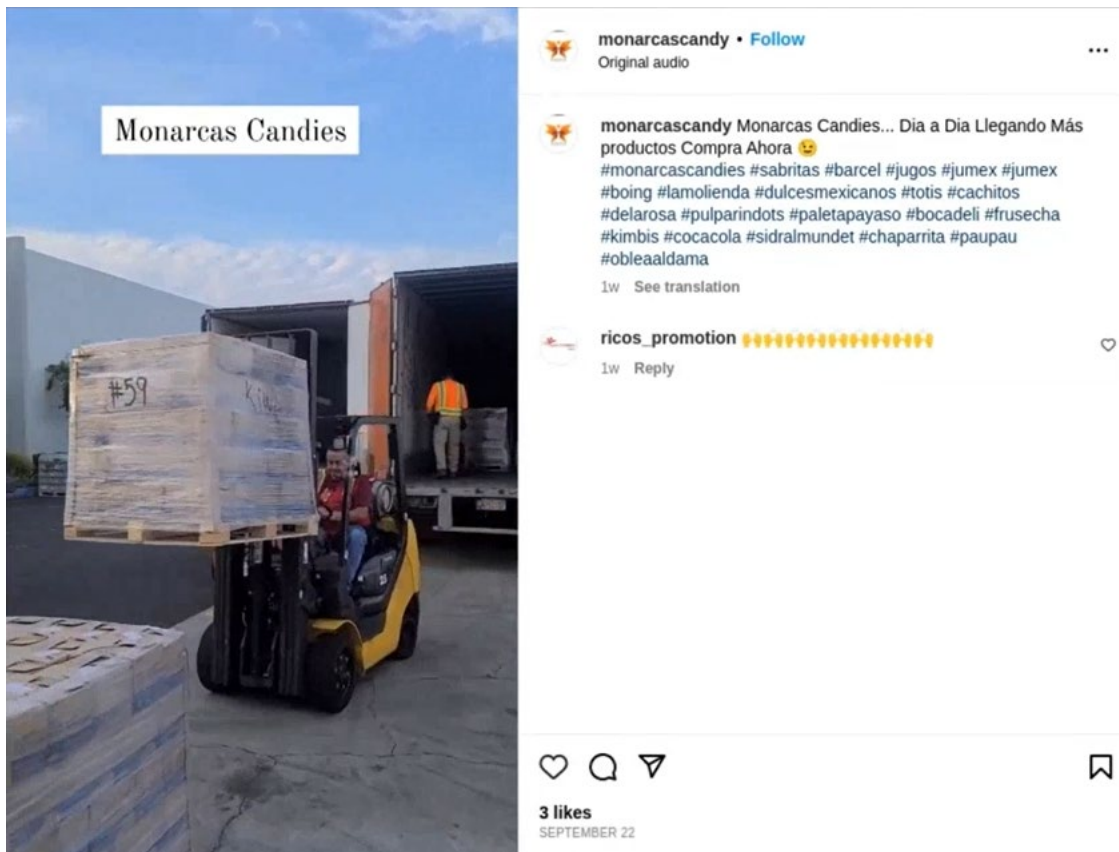
18. This Court has jurisdiction because this is an action arising under the Trademark Act of 1946, as amended, 15 U.S.C. §§ 1051, et seq. (the Lanham Act), jurisdiction being conferred in accordance with 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338. This Court also has subject matter jurisdiction over this dispute under 28 U.S.C. § 1332(a)(1) because there is complete diversity of citizenship among the parties and the amount in controversy, exclusive of interest and costs, exceeds \$75,000. This Court also has jurisdiction for the claims made under California statutory and common law in accordance with the principles of supplemental jurisdiction pursuant to 28 U.S.C. § 1367.

19. This Court has personal jurisdiction of Defendants because, on information and belief, Defendants reside and/or have a principal place of business in the State of California and within this judicial district. Furthermore, on information and belief,



Defendants have deliberately engaged in significant and continuous business activities within California. Accordingly, Plaintiffs have established minimum contacts with the Central District of California.

20. For example, social media posts by Monarcas show a large number of pallets of Unauthorized Electrolit being unloaded, divided, re-packaged and stored at Monarcas's Santa Fe Springs, California warehouse.



([https://www.instagram.com/p/Cxf-3\\_wL2do/](https://www.instagram.com/p/Cxf-3_wL2do/))



(<https://www.youtube.com/watch?v=AuTCyI-jLNA>)



(id).



21. In the social media posts, pallets of Unauthorized Electrolit (characterized by brown cardboard boxes with blue stripes at the bottom) are shown as having been wrapped in clear plastic film and are sequentially numbered from 1 through 1000.



22. Venue is proper in this district under 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to the claims alleged herein occurred in this district, and under 28 U.S.C. § 1391(c), because Defendants are subject to this Court’s personal jurisdiction for purposes of this case.

### **FACTUAL BACKGROUND**

#### ***Pisa and Genuine U.S. Electrolit***

23. Electrolit® was originally developed by Laboratorios Pisa, S.A. de C.V. (“Pisa”) as a solution for dehydration in children, a crucial need during a wave of cholera striking Mexico at the time. The photograph below shows early Electrolit® product.



24. Over the years, Electrolit<sup>®</sup> has proven to be a wildly successful product among children and adults. In 2014, CAB was formed in the United States and was appointed the exclusive authorized distributor in the United States for Electrolit<sup>®</sup> product. In connection therewith, CAB was granted a license to the trademarks, copyrights and trade dress associated with genuine U.S. Electrolit<sup>®</sup> described below and was tasked with translating the overwhelming success of Electrolit<sup>®</sup> in Mexico into a similar dominance in the U.S. market.

25. CAB is responsible for the marketing, labelling, and distribution of Electrolit<sup>®</sup> products in the United States.


26. CAB takes that responsibility seriously by ensuring that the contents, packaging, and labelling of Electrolit<sup>®</sup> in the United States comply with U.S. laws and regulations; by subjecting its products to rigorous quality control standards; and by providing high-quality post-sale services to its customers. Those practices correspond with the preference of U.S. customers, who consider products to be higher quality when they comply with U.S. laws and regulations, are formulated to match U.S. consumer tastes, and feature the post-sale services that CAB provides. CAB continues to monitor the market by receiving consumer inquiries, tracking and investigating complaints, addressing spoilage issues, and performing necessary actions in response to such issues, including by conducting recalls or initiating legal proceedings. These activities have ensured continued goodwill for the Electrolit<sup>®</sup> trademark and the investment that CAB and its sub-distributors have made in creating consumer demand for Electrolit<sup>®</sup>.


27. Today, CAB distributes genuine U.S. Electrolit® to over 30,000 accounts in the United States. Genuine U.S. Electrolit® is sold to consumers through several channels, including online through retailers such as Amazon as well as through supermarkets, convenience stores and all grocery store formats.

28. Genuine U.S. Electrolit® is currently sold in several flavors, including Orange, Fruit Punch, Grape, Strawberry Kiwi, Berry Bliss, Strawberry, Lemon-Lime, Hibiscus/Jamaica, Guava, Coconut and Apple. All genuine U.S. Electrolit® is manufactured and packaged in Mexico by Pisa, who then exports it to CAB in the U.S. Genuine U.S. Electrolit® is typically sold to consumers as a single bottle, as a box of six bottles and in cases of 12 bottles. Genuine U.S. Electrolit® is also sold in larger quantities, such as pallets and half pallets of product.


29. CAB sells Electrolit® directly to retailers and through a network of authorized sub-distributors that distribute Electrolit® through the United States, including in California. By carefully evaluating its authorized sub-distributors, CAB ensures that its products are distributed by business partners that are similarly invested in developing and safeguarding the goodwill associated with Electrolit®. If an authorized sub-distributor fails to provide the high-quality services that CAB expects, CAB may take corrective measures.

30. Sueros is the owner of the following “Electrolit” trademarks (U.S. Reg. Nos. 4,222,726; 4,833,885; 4,717,350; 4,717,232) and CAB is the exclusive licensee in the United States of these registered trademarks (collectively, the “Electrolit Marks”), one or more of which appear on packaging and advertisements for all genuine U.S. Electrolit® products:

Mark	U.S. Reg. No.	Reg. Date	Relevant Goods
	4222726	Oct. 9, 2012	<b>Class 5:</b> Electrolyte replacement solution for oral rehydration.  <b>Class 32:</b> Oral rehydration beverages, namely, sports drinks.

Mark	U.S. Reg. No.	Reg. Date	Relevant Goods
"ELECTROLIT"	4833885	Oct. 13, 2015	<p><b>Class 5:</b> Pharmaceutical products, namely, electrolyte replacement solutions; veterinary products, namely, dog, horse, pig, cat, bird, and ruminant food, bacterial and bacteriological preparations for veterinary use, chemical reagents for veterinary purposes, enzymes for veterinary purposes, diagnostic preparations for veterinary purposes, veterinary vaccines; hygienic products, namely, skin cleansing solutions for medical use; dietetic substances for medical use, namely, diet pills, diet capsules, and diet drinks; baby food; poultices; wound dressings; dental poultices; dental mold poultices; disinfectants for home use; products for the destruction of harmful animals, namely, insecticides and pesticides; fungicides; herbicides.</p> <p><b>Class 32:</b> Beers; mineral waters; carbonated beverages; non-alcoholic beverages, namely, water, flavored water; fruit beverages and juices; syrups for making beverages.</p>
	4717350	Apr. 7, 2015	<p><b>Class 5:</b> Electrolyte replacement solutions for oral rehydration.</p> <p><b>Class 32:</b> Oral rehydration beverages, namely, sports drinks containing electrolytes.</p>



Mark	U.S. Reg. No.	Reg. Date	Relevant Goods
	4717232	Apr. 7, 2015	<p><b>Class 5:</b> Electrolyte replacement solutions for oral rehydration.</p> <p><b>Class 32:</b> Oral rehydration beverages, namely, sports drinks containing electrolytes.</p>

31. True and correct copies of the registrations for the Electrolit Marks are attached hereto as **Exhibit 1**.

32. Since long prior to Defendants' acts complained of herein and through the present, Pisa (and/or recently formed Sueros) and/or CAB have made continuous use of the Electrolit Marks in connection with genuine U.S. Electrolit® products and plan to do so in the future.

33. The Electrolit Mark registrations are valid, subsisting and incontestable and constitute conclusive evidence of Plaintiffs' exclusive right to use the Electrolit Marks for the goods specified in the registrations. 15 U.S.C. §§ 1065, 1115(b).

34. Plaintiffs use distinctive packaging (the "Electrolit Trade Dress") to distinguish its genuine U.S. Electrolit® products in the marketplace. Sueros owns, and CAB is the exclusive licensee in the United States with respect to, the Electrolit Trade Dress, which consists of, but is not limited to the packaging illustrated below:



1           35. Plaintiffs have used the Electrolit Trade Dress pictured above, or in a  
2 similar fashion, on genuine U.S. Electrolit® product since at least as early as 2014 and  
3 through the present date. Plaintiffs are currently using the Electrolit Trade Dress in  
4 commerce and in connection with their sale of genuine U.S. Electrolit® and plan to  
5 continue such use in the future.

6           36. The Electrolit Trade Dress is arbitrary, non-functional and distinctive.

7           37. The Electrolit Marks and Electrolit Trade Dress have been extensively and  
8 continuously used by Plaintiffs and are inherently distinctive and/or have become  
9 distinctive through the acquisition of secondary meaning.

10          38. Since the formation of CAB in 2014, tens of millions of dollars have been  
11 spent in the United States to advertise and promote genuine U.S. Electrolit®. The  
12 Electrolit Marks and Electrolit Trade Dress is prominently displayed in Plaintiffs'  
13 advertising and promotional materials.

14          39. Plaintiffs advertise and promote genuine U.S. Electrolit® through various  
15 means, including electronic media, print media, promotional and point of sale materials,  
16 presence at live events and through various social media channels, including Facebook  
17 and Instagram.

18          40. CAB's sale of Electrolit® in the United States has been tremendously  
19 successful because of its efforts to ensure the high quality of Electrolit®, as well as its  
20 substantial investment in the marketing and promotion of Electrolit® to customers.

21          41. The Electrolit® Marks and Trade Dress are inherently distinctive, and as a  
22 result of Plaintiffs' extensive sales, promotion and advertising of genuine U.S.  
23 Electrolit®, the Electrolit Marks and Trade Dress have become famous among the  
24 consuming public of California and the United States and represent valuable goodwill  
25 to Plaintiffs. The Electrolit Marks and Trade Dress are also famous among the general  
26 consuming public in California.

27          42. Pisa's use of the Electrolit Marks dates back to the 1950s and the Electrolit  
28 Marks have been in continuous, exclusive use since that time. CAB began using the

1 Electrolit Marks and Trade Dress in the U.S. in 2014 and since then has spent tens of  
2 millions of dollars on advertising and promotion of the Electrolit Marks and Trade Dress  
3 among the general consuming public in the U.S.

4 43. As a result of Plaintiffs' efforts, in addition to the popularity of the  
5 Electrolit product itself, the Electrolit Marks and Trade Dress have become household  
6 names among the general consuming public in the U.S. and California. The exponential  
7 growth of sales of genuine U.S. Electrolit and total sales volume also evidence the fame  
8 of the Electrolit Marks and Trade Dress.

9 44. In addition to genuine U.S. Electrolit®, other, different versions of  
10 Electrolit® are manufactured and sold abroad, but in the largest volume in Mexico and  
11 throughout Latin America. The various versions of Electrolit® sold internationally are  
12 customized to reflect differences in terms of government regulations, consumer  
13 preferences, and language, among other considerations.

14 45. Common to every genuine Electrolit® product sold in the U.S. is the quality  
15 control standards established by Pisa, maintained by Sueros and contractually mandated  
16 by CAB and each of its sub-distributors that dictate the conditions for manufacture,  
17 distribution, storage and sale of genuine Electrolit® products throughout authorized  
18 supply chains.

19 46. Sueros only authorizes genuine U.S. Electrolit® for sale in the United  
20 States, and only by CAB. All other versions of Electrolit® are not authorized to be sold  
21 in the United States ("Unauthorized Electrolit"). Likewise, genuine U.S. Electrolit® is  
22 not authorized to be sold in any other country.

23 ***Unauthorized Electrolit is Materially Different***

24 47. Genuine U.S. Electrolit® is different from Unauthorized Electrolit in many  
25 respects. These differences are material to consumers.

26 48. Genuine U.S. Electrolit® is different from Unauthorized Electrolit at least  
27 in that the formula of ingredients in genuine U.S. Electrolit® is different from any other  
28 Electrolit® authorized to be sold anywhere else in the world. For example, Unauthorized

1 Electrolit contains artificial flavors and additives not found in Genuine U.S. Electrolit®.  
2 This difference is material to consumers.

3 49. Genuine U.S. Electrolit® and its label is registered as a beverage with the  
4 U.S. Food and Drug Administration (“FDA”), but Unauthorized Electrolit is not. This  
5 difference is material to consumers.

6 50. Genuine U.S. Electrolit® is different from Unauthorized Electrolit at least  
7 in that the labelling of genuine U.S. Electrolit® is different from any other Electrolit®  
8 authorized to be sold anywhere else in the world. These differences are material to  
9 consumers. As one example, the label of Genuine U.S. Electrolit® contains a “Nutrition  
10 Facts” label in compliance with U.S. Food and Drug Administration (“FDA”) requirements.  
11 No other Electrolit® authorized to be sold anywhere else in the world  
12 contains such a “Nutrition Facts” label. This difference is material to consumers.

13 51. As another example, the label of genuine U.S. Electrolit® is written in the  
14 English language, whereas the label of all other Electrolit® products authorized to be  
15 sold outside of the United States are labelled in the Spanish language. One aspect of  
16 this difference is that the freshness date printed on the product of genuine U.S.  
17 Electrolit® is identified with the English words “USE BY,” whereas Unauthorized  
18 Electrolit contains no such “USE BY” identification. These differences are material to  
19 consumers.

20 52. As another example, the units of measure used on the label of genuine U.S.  
21 Electrolit® are in the imperial system that U.S. consumers recognize and that is required  
22 by some U.S. state laws, whereas the label of all other Electrolit® products authorized  
23 to be sold outside of the United States use measurements in the metric system, which  
24 many U.S. consumers are unfamiliar with. This difference is material to consumers.

25 53. As another example, the names of the flavors of genuine U.S. Electrolit®  
26 that appear on the product labels are unique to genuine U.S. Electrolit® and do not  
27 appear on Unauthorized Electrolit. Relatedly, the flavors of Unauthorized Electrolit are  
28 not authorized for sale in the United States by Sueros, CAB or the FDA and do not



1 appear in the English language on the labels of Unauthorized Electrolit. This difference  
2 is material to consumers.

3 54. As another example, the label of genuine U.S. Electrolit<sup>®</sup> identifies a U.S.  
4 toll free telephone number for consumers to call in case of questions or concerns,  
5 whereas the label of all other Electrolit<sup>®</sup> products authorized to be sold outside of the  
6 United States do not identify such a U.S. toll free number. This difference is material to  
7 consumers.

8 55. As another example, the label of genuine U.S. Electrolit<sup>®</sup> reports different  
9 caloric values than does the label of all other Electrolit<sup>®</sup> products authorized to be sold  
10 outside of the United States. This difference is material to consumers.

11 56. As another example, the label of Genuine U.S. Electrolit<sup>®</sup> contains bottle  
12 deposit refund information relevant to and required by certain U.S. states. No other  
13 Electrolit<sup>®</sup> authorized to be sold anywhere else in the world contains such bottle deposit  
14 refund information on its label. This difference is material to consumers.

15 57. As another example, the label of all Unauthorized Electrolit products  
16 contains a medical claim that the product prevents or treats dehydration. For example,  
17 the label of Electrolit<sup>®</sup> products authorized to be sold in Mexico contains the following  
18 language: “Solución esterilizada de electrolitos orales indicada para prevenir o tratar la  
19 deshidratación.” However, the label of genuine U.S. Electrolit<sup>®</sup> does not contain such  
20 a claim, nor could it under FDA regulations. This difference is material to consumers.

21 58. As another example, the label of all Unauthorized Electrolit products  
22 contains a medical indication for use of the product to prevent and treat certain medical  
23 conditions. For example, the label of Electrolit<sup>®</sup> products authorized to be sold in  
24 Mexico contains the following language: “INDICACIONES: Electrolit<sup>®</sup> es una  
25 solución rehidrante para la prevención y el tratamiento del desequilibrio  
26 hidroelectrolítico ocasionado por el exceso de calor, desgaste físico intenso, insolación,  
27 resaca, vómito y/o diarrea. Electrolit<sup>®</sup> además de proporcionar glucosa, previene o trata  
28 la deshidratación mediante la reposición de líquidos y electrolitos contenidos en su

1 fórmula.” However, the label of genuine U.S. Electrolit<sup>®</sup> does not contain such an  
2 indication, nor could it under FDA regulations. This difference is material to consumers.

3 59. As another example, the label of genuine U.S. Electrolit<sup>®</sup> contains the  
4 statement “SWEETENED WITH NATURAL Glucose,” whereas the labels of all other  
5 Electrolit<sup>®</sup> products authorized to be sold outside of the United States do not contain  
6 such a statement. This difference is material to consumers.

7 60. As another example, the label of genuine U.S. Electrolit<sup>®</sup> contains the  
8 statement “NO PRESERVATIVES,” whereas the labels of all other Electrolit<sup>®</sup> products  
9 authorized to be sold outside of the United States do not contain such a statement. This  
10 difference is material to consumers.

11 61. As another example, the label of genuine U.S. Electrolit<sup>®</sup> contains the  
12 statement “GLUTEN free,” whereas the labels of all other Electrolit<sup>®</sup> products  
13 authorized to be sold outside of the United States do not contain such a statement. This  
14 difference is material to consumers.

15 62. As another example, the label of genuine U.S. Electrolit<sup>®</sup> contains a listing  
16 of the ingredients in the product, whereas the labels of all other Electrolit<sup>®</sup> products  
17 authorized to be sold outside of the United States do not contain such a listing. This  
18 difference is material to consumers.

19 63. In addition, the pricing of genuine U.S. Electrolit<sup>®</sup> is different from any  
20 other Electrolit<sup>®</sup> authorized to be sold anywhere else in the world. This difference is  
21 material to consumers.

22 64. Consumers consider each of these differences between genuine U.S.  
23 Electrolit<sup>®</sup> and Unauthorized Electrolit (collectively the “Material Differences”) to be  
24 important to a decision about whether to purchase the products yet are unaware that the  
25 Unauthorized Electrolit products lack the features only present in genuine U.S.  
26 Electrolit<sup>®</sup>.

27 65. Based on “gold standard” expert survey data, one or more of these Material  
28 Differences have been found by a Federal court to be material to consumers’ purchasing

1 decisions. Sueros y Bebidas Rehidratantes, S.A. de C.V. v. Indus. Enters., LLC, No. H-  
2 22-1304, 2023 U.S. Dist. LEXIS 156155, at \*2 (S.D. Tex. Sep. 5, 2023).

3 66. The Unauthorized Electrolit imported, advertised, distributed, offered for  
4 sale and/or sold by Defendant lacks one or more of these Material Differences.

5 67. Plaintiffs do not sell, authorize for sale or cause to be sold any  
6 nonconforming products that lack any of the Material Differences within the United  
7 States. In fact, as will be discussed below, Plaintiffs actively police the market to search  
8 for and remove nonconforming products that lack the Material Differences such as the  
9 Unauthorized Electrolit sold by unauthorized resellers including Defendants.

10 ***Defendants and Their Unlawful Conduct***

11 68. After learning of Defendants' unlawful actions and their harmful effects,  
12 Plaintiffs engaged in reasonable efforts to further investigate and curtail such conduct.

13 69. In addition to the Defendant identified by name herein, on information and  
14 belief, additional persons and entities whose identities are presently unknown are  
15 involved in the manufacture, distribution and sale of unauthorized and/or counterfeit  
16 Electrolit®. Plaintiffs intend to amend this pleading to identify these additional persons  
17 and entities by name as their identities are revealed during the course of discovery.

18 ***Harms Caused by Defendant's Actions***

19 70. Plaintiffs have suffered and continue to suffer irreparable harm from  
20 Defendant's actions.

21 71. First, Defendants' activities jeopardize CAB's relations with its authorized  
22 sub-distributors. CAB has invested significant time and capital developing its  
23 relationships with its authorized sub-distributors. Those relationships are reciprocal—  
24 CAB asks a great deal from its authorized sub-distributors in terms of marketing,  
25 monitoring, sales reporting, quality control and more, and in exchange offers important  
26 benefits including, above all, the knowledge that its authorized distributor cannot be  
27 underbid on genuine Electrolit®, which is only authorized for sale by CAB. CAB's  
28 authorized sub-distributors are less likely to accept this arrangement—or may be

1 tempted to cut costs by skimping on quality-control procedures critical to the  
2 Electrolit® brand—if Defendants are repeatedly able to obtain lower-cost but  
3 confusingly similar Unauthorized Goods and underbid authorized sub-distributors on  
4 supply contracts. Put simply, on information and belief, Defendants sell Unauthorized  
5 Electrolit to U.S. wholesalers at prices below what CAB is able to sell it at, and in other  
6 instances sells Unauthorized Electrolit to retailers at prices below what CAB’s  
7 authorized sub-distributors sell it for. As a result, several of CAB’s authorized sub-  
8 distributors have stated that they may stop selling genuine Electrolit® purchased from  
9 CAB because these sub-distributors cannot compete against the low prices offered by  
10 infringing gray market resellers of Unauthorized Electrolit such as Defendants. As a  
11 result, CAB’s ability to expand its market will be severely impacted.

12 72. Second, Defendants’ activities jeopardize Plaintiffs’ delicate pricing  
13 mechanisms. Electrolit is marketed and sold to an enormous variety of customers in  
14 markets all over the world. This heterogeneity requires non-uniform pricing in order to  
15 compete in particularly cost-sensitive markets. Defendants, by illicitly importing  
16 Unauthorized Electrolit into the U.S. and marketing it against Plaintiff’s genuine  
17 Electrolit® product force Plaintiffs into an unsustainable race to the bottom and  
18 jeopardize their ability to price their products fairly. Worse, once such price erosion  
19 becomes prevalent, it will prove impossible as a practical matter to raise prices back to  
20 pre-erosion levels, leading to diminished profits for Plaintiffs even after Defendants’  
21 infringement stops.

22 73. Most importantly, Defendants’ sales of Unauthorized Electrolit  
23 jeopardizes their customers’ health. Defendants deliberately lead customers to believe  
24 that the Unauthorized Electrolit they sell is the same as the genuine Electrolit® that is  
25 formulated for the U.S. market, even though Unauthorized Electrolit contains a different  
26 formulation that could pose health risks for unsuspecting U.S. consumers. Additionally,  
27 Defendants’ acquisition and sale of Unauthorized Electrolit hinders Plaintiffs’ ability to  
28 track its products, thereby potentially endangering the public by preventing Plaintiffs



1 from resolving quality problems and recalling defective products. As Defendants have  
2 deliberately marketed its Unauthorized Electrolit in a misleading fashion, customers  
3 would be led to believe that Plaintiffs actions—rather than Defendants’ acquisition,  
4 storage, and shipping of materially different products—led to the defect. This would  
5 hugely jeopardize Plaintiffs’ commercial goodwill and brand reputation, and causes  
6 irreparable harm for which there is no adequate remedy at law.

7 74. CAB also loses direct revenue every time a bottle of Unauthorized  
8 Electrolit is sold by Defendants in the U.S. in lieu of a bottle of genuine Electrolit® that  
9 CAB would have sold but for the Defendants’ actions.

10 75. CAB is also facing pressure from its authorized sub-distributors to sell  
11 genuine Electrolit® at lower prices so that the authorized sub-distributors can compete  
12 with the lower prices offered by infringing unauthorized resellers such as Defendants’  
13 for Unauthorized Electrolit.

14 76. Moreover, CAB has been forced to expend a significant amount of money  
15 to combat the flood of Unauthorized Electrolit that has appeared on U.S. store shelves.  
16 Plaintiffs have previously engaged in similar activities to police the use of the Electrolit  
17 Marks and Trade Dress. For example, over the past several years CAB has monitored  
18 complaints and tips regarding the sale of Unauthorized Electrolit by retailers and  
19 wholesalers and engaged counsel to send cease and desist letters to these infringers to  
20 stop the spread of these infringing—and in many cases counterfeit—products.

21 **COUNT I – FEDERAL TRADEMARK INFRINGEMENT**

22 **(15 U.S.C. § 1114)**

23 **(Against All Defendants)**

24 77. Plaintiffs hereby restate and re-allege the allegations set forth in the  
25 preceding paragraphs and incorporate them by reference as if fully set forth herein.

26 78. As alleged more fully herein, the USPTO has granted federal trademark  
27 registrations for the trademarks consisting of or incorporating the Electrolit Marks,  
28 which are owned by Sueros. CAB is the exclusive licensee of the Electrolit Marks in

1 the U.S.

2 79. Defendants' unauthorized sales, offers for sale, distribution or advertising  
3 of Unauthorized Electrolit containing the Electrolit Marks to unsuspecting consumers  
4 is a violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1).

5 80. Defendants' sale, offer for sale, distribution or advertising of Unauthorized  
6 Electrolit has created a substantial likelihood of confusion or caused mistake or  
7 deception in consumers' minds because the Unauthorized Electrolit is materially  
8 different from genuine U.S. Electrolit®.

9 81. Defendants' unauthorized use of Electrolit Marks constitutes use in  
10 commerce, without the consent of Plaintiffs, of a reproduction, copy, or colorable  
11 imitation of the Electrolit Marks and Trade Dress in connection with the sale, offer for  
12 sale, distribution or advertising of products and/or services. Such use is likely to cause  
13 confusion or mistake, or to deceive customers, and therefore infringes the Electrolit  
14 Marks and Trade Dress, in violation of 15 U.S.C. § 1114(1).

15 82. Defendants were informed that the Unauthorized Electrolit that it is  
16 offering for sale is "contraband" "not FDA approved for USA sales" and its actions  
17 constitute deliberate, knowing and willful infringement of Plaintiffs' rights in the  
18 Electrolit Marks and Trade Dress with bad faith intent to cause confusion and trade on  
19 Plaintiffs' goodwill.

20 83. As a result of Defendants' continued sale or advertisement of  
21 Unauthorized Electrolit, Plaintiffs have suffered and will continue to suffer irreparable  
22 harm to their goodwill and reputation with their retail and end-consumer customers, at  
23 least as a result of the confusion about and dissatisfaction with the Unauthorized  
24 Electrolit.

25 84. Plaintiffs have no adequate remedy at law for the above immediate and  
26 continuing harm. Plaintiffs have been, and absent injunctive relief will continue to be,  
27 irreparably harmed by Defendants' actions.

28

1           85. As a direct and proximate result of Defendants' conduct, Plaintiffs have  
2 suffered damages to the Electrolit Marks and Trade Dress and other damages in an  
3 amount to be proved at trial.

4           86. Plaintiffs are entitled to, among other things, an order enjoining and  
5 restraining Defendants from selling any Unauthorized Electrolit, including, but not  
6 limited to, products intended for sale in Mexico, for the Unauthorized Electrolit to be  
7 destroyed pursuant to 15 U.S.C. § 1118, as well as actual damages, Defendants' profits,  
8 the costs of the action, reasonable attorneys' fees and any other remedies provided by  
9 15 U.S.C. § 1116 and 1117.

10           **COUNT II – INDUCED AND CONTRIBUTORY TRADEMARK**  
11                                   **INFRINGEMENT**

12                                   **(Against All Defendants)**

13           87. Plaintiffs hereby restate and re-allege the allegations set forth in the  
14 preceding paragraphs and incorporate them by reference as if fully set forth herein.

15           88. Defendants intentionally induced other parties to infringe the Electrolit  
16 Marks and Trade Dress.

17           89. Defendants continued to supply their product to persons whom they knew  
18 or had reason to know were infringing the Electrolit Marks and Trade Dress.

19           90. Defendants failed to take reasonable precautions against the occurrence of  
20 third parties' infringement of the Electrolit Marks and Trade Dress under circumstances  
21 in which the infringing conduct could reasonably be anticipated.

22           91. Defendants' actions constitute contributory infringement of Plaintiffs'  
23 exclusive rights in the Electrolit Marks and Trade Dress.

24           92. As a direct and proximate result of Defendants' conduct, Plaintiffs have  
25 suffered irreparable harm to the valuable Electrolit Marks and Trade Dress and their  
26 reputation in the industry. Unless Defendant is restrained from further contributory  
27 infringement of the Electrolit Marks and Trade Dress, Plaintiffs will continue to be  
28 irreparably harmed.

1           93. Plaintiffs have no adequate remedy at law that will compensate for the  
2 continued and irreparable harm they will suffer if Defendants' acts are allowed to  
3 continue.

4           94. As a direct and proximate result of Defendants' conduct, Plaintiffs have  
5 suffered damages to the valuable Electrolit Marks and Trade Dress and other damages  
6 in an amount to be proved at trial.

7           95. Plaintiffs are entitled to, among other things, an order enjoining and  
8 restraining Defendants from selling any Unauthorized Electrolit, including, but not  
9 limited to, products intended for sale in Mexico, for the Unauthorized Electrolit to be  
10 destroyed pursuant to 15 U.S.C. § 1118, as well as actual damages, Defendants' profits,  
11 the costs of the action, reasonable attorneys' fees and any other remedies provided by  
12 15 U.S.C. § 1116 and 1117.

13                   **COUNT III – FALSE DESIGNATION OF ORIGIN**

14                           **(15 U.S.C. § 1125(a)(1)(A))**

15                           **(Against All Defendants)**

16           96. Plaintiffs hereby restate and re-allege the allegations set forth in the  
17 preceding paragraphs and incorporate them by reference as if fully set forth herein.

18           97. In violation of Section 43(a)(1)(A) of the Lanham Act, 15 U.S.C. §  
19 1125(a)(1)(A), Defendants, independently and in conspiracy with others, in connection  
20 with the Unauthorized Electrolit, used in commerce a word, term, name, symbol or  
21 device, or any combination thereof, or a false designation of origin, false or misleading  
22 description of fact or false or misleading representation of fact, which was or is likely  
23 to cause confusion or to cause mistake, or to deceive as to an affiliation, connection or  
24 association with Plaintiffs as to the origin, sponsorship, or approval of Defendants'  
25 Unauthorized Electrolit by Plaintiffs.

26           98. The purchasing public is likely to attribute to Plaintiffs, Defendants' use  
27 of the Electrolit Marks as a source of origin, sponsorship, approval and/or authorization  
28 for the products Defendants sell and, further, purchase products from Defendants in the



1 erroneous belief that Defendants are authorized by, associated with, sponsored by, or  
2 affiliated with Plaintiffs, when Defendants are not.

3 99. Defendants' actions have been conducted intentionally and willfully, with  
4 the express intent to cause confusion and mistake, to deceive and mislead the purchasing  
5 public, to trade upon the high-quality reputation of Plaintiffs, and/or to improperly  
6 appropriate to themselves the valuable Electrolit Marks.

7 100. Defendants' unlawful conduct has deceived, and is likely to continue to  
8 deceive, a material segment of the consumers to whom Defendants have directed their  
9 marketing activities. Defendants' false and/or misleading statements are material in that  
10 they are likely to influence consumers to purchase products from Defendants and cause  
11 competitive and other commercial injuries to Plaintiffs. Defendants have made, and  
12 continue to make, false and/or misleading statements with the intent to cause confusion  
13 and mistake, or to deceive the public into believing that Defendants are authorized by,  
14 associated with, sponsored by, or affiliated with Plaintiffs, when Defendants are not.  
15 Plaintiffs have been damaged as a result.

16 101. As a result of Defendants' misconduct, Plaintiffs have suffered, and will  
17 continue to suffer, irreparable harm to its goodwill and reputation with both its  
18 customers and its authorized distributors.

19 102. Plaintiffs have no adequate remedy at law for the above immediate and  
20 continuing harm. Plaintiffs have been, and absent injunctive relief will continue to be,  
21 irreparably harmed by Defendants' actions.

22 103. Plaintiffs are entitled to, among other things, an order enjoining and  
23 restraining Defendants from selling any Unauthorized Electrolit, including, but not  
24 limited to, products intended for sale in Mexico, for the Unauthorized Electrolit to be  
25 destroyed pursuant to 15 U.S.C. § 1118, as well as actual damages, Defendants' profits,  
26 the costs of the action, reasonable attorneys' fees and any other remedies provided by  
27 15 U.S.C. § 1116 and 1117.  
28

**COUNT IV – TRADEMARK DILUTION**

**(15 U.S.C. § 1125(c))**

**(Against All Defendants)**

104. Plaintiffs hereby restate and re-allege the allegations set forth in the preceding paragraphs and incorporate them by reference as if fully set forth herein.

105. The Electrolit Marks are famous and distinctive, and are widely recognized by the general consuming public of the United States as a designation of source of genuine U.S. Electrolit®.

106. The Electrolit Marks became famous source indicators for Electrolit products long before Defendant commenced its infringing activities.

107. Defendants' acts as described herein began after the Electrolit Marks became famous and are likely to and have tarnished Plaintiffs' valuable business reputation and goodwill and are likely to blur the distinctiveness of the famous Electrolit Marks.

108. Defendants' acts are likely to cause and have caused dilution by tarnishment and blurring of the famous Electrolit Marks in violation of Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c).

109. On information and belief, Defendants' sale, offering for sale, distribution, and/or advertising of Unauthorized Electrolit in the United States have been committed deliberately and willfully, with knowledge of Plaintiffs' exclusive rights and goodwill in the Electrolit Marks and with a bad faith intent to cause dilution of the Electrolit Marks.

110. Defendants' acts greatly and irreparably damage Plaintiffs and will continue to so damage Plaintiffs unless restrained by this Court; wherefore, Plaintiffs are without an adequate remedy at law. If not restrained, Defendants will have unfairly derived and will continue to unfairly derive income, profits, and business opportunities as a result of their acts of dilution. Accordingly, Plaintiffs are entitled to, among other things, an order enjoining and restraining Defendants from selling any Unauthorized

1 Electrolit, including, but not limited to, products intended for sale in Mexico, for the  
2 Unauthorized Electrolit to be destroyed pursuant to 15 U.S.C. § 1118, as well as actual  
3 damages, Defendants' profits, the costs of the action, reasonable attorneys' fees and any  
4 other remedies provided by 15 U.S.C. § 1116 and 1117.

5 **COUNT V – TRADEMARK DILUTION**

6 **(Cal. Bus. & Prof. Code § 14247)**

7 **(Against All Defendants)**

8 111. Plaintiffs hereby restate and re-allege the allegations set forth in the  
9 preceding paragraphs and incorporate them by reference as if fully set forth herein.

10 112. The acts complained of herein constitute trademark dilution in violation of  
11 California Trademark Dilution (Cal. Bus. & Prof. Code § 14247).

12 113. The Electrolit Marks are famous and distinctive and are widely recognized  
13 by the public, including throughout California or in a geographic area in this state as a  
14 designation of source of the of the United States as a designation of source of genuine  
15 U.S. Electrolit®.

16 114. Defendants' acts as described herein began after the Electrolit Marks  
17 became famous and are likely to and have tarnished Plaintiffs' valuable business  
18 reputation and goodwill and are likely to blur the distinctiveness of the famous Electrolit  
19 Marks.

20 115. Defendants' acts have diluted the Electrolit Mark in California and the  
21 United States by blurring their association with CAB and reducing purchasers' ability  
22 to identify and distinguish goods intended for different markets.

23 116. On information and belief, Defendants' sale, offering for sale, distribution,  
24 and/or advertising of Unauthorized Electrolit have been committed deliberately and  
25 willfully, with knowledge of Plaintiffs' exclusive rights and goodwill in the Electrolit  
26 Marks and with a bad faith willful intent to cause dilution of the Electrolit Marks.

27 117. Defendants' acts greatly and irreparably damage Plaintiffs and will  
28 continue to so damage Plaintiffs unless restrained by this Court; wherefore, Plaintiffs

1 are without an adequate remedy at law. If not restrained, Defendants will have unfairly  
2 derived and will continue to unfairly derive income, profits, and business opportunities  
3 as a result of their acts of dilution. Accordingly, Plaintiffs are entitled to, among other  
4 things, an order enjoining and restraining Defendant from selling any Unauthorized  
5 Electrolit, including, but not limited to, products intended for sale only in Mexico, as  
6 well as to Defendants' profits, Plaintiffs' reasonable attorneys' fees and any other  
7 remedies provided under the law.

8 **COUNT VI – UNFAIR COMPETITION**

9 **(Cal. Bus. Prof. Code § 17200 et seq.)**

10 **(Against All Defendants)**

11 118. Plaintiffs hereby restate and re-allege the allegations set forth in the  
12 preceding paragraphs and incorporate them by reference as if fully set forth herein.

13 119. Defendants have violated 15 U.S.C. § 1114 and California Business &  
14 Professions Code § 14245 by using the Electrolit Marks in commerce in connection  
15 with the sale, offering for sale, distribution, and advertising of goods, in a manner likely  
16 to cause confusion, mistake, or deception, without consent of the owner.

17 120. Defendants have also violated 15 U.S.C. § 1125(a) by using the Electrolit  
18 Marks in commerce in a manner likely to cause confusion, mistake, and deception as to  
19 the connection between Defendants and Plaintiffs and as to the origin, sponsorship, or  
20 approval of Defendants' products for sale in the United States by Plaintiffs.

21 121. Defendants have also violated 15 U.S.C. § 1125(c) and California Business  
22 & Professions Code § 14247 by using the Electrolit Marks in commerce in a manner  
23 likely to cause dilution by blurring and by tarnishment of the Electrolit Marks.

24 122. This conduct, together with the Defendants' other acts alleged herein,  
25 constitute unfair, unlawful, and fraudulent business acts and practices under California  
26 Business and Professions Code § 17200, because such acts are forbidden by various  
27 state and federal laws and are unscrupulous, unfair, and injurious to Plaintiffs.  
28 Defendants' acts have irreparably damaged Plaintiffs and will continue to do so unless

1 restrained by this Court, and Plaintiffs are without an adequate remedy at law.

2 123. In further violation of Cal. Bus. Prof. Code § 17200 et seq. Defendants  
3 engaged in unfair competition by engaging in false, misleading or deceptive acts or  
4 practices in connection with their sale, offer for sale, distribution or advertising of  
5 Unauthorized Electrolit.

6 124. As a direct and proximate result of Defendants' unfair competition,  
7 Plaintiffs have suffered irreparable harm to the valuable Electrolit Marks and Trade  
8 Dress and their reputation in the industry. Unless Defendants' conduct is restrained,  
9 Plaintiffs will continue to be irreparably harmed.

10 125. Plaintiffs have no adequate remedy at law that will compensate for the  
11 continued and irreparable harm they will suffer if Defendants' acts are allowed to  
12 continue.

13 126. As a direct and proximate result of Defendants' unfair competition,  
14 Plaintiffs have suffered damages, including lost profits and damages to the valuable  
15 Electrolit Marks and Trade Dress and other damages in an amount to be proved at trial.

16 **COUNT VII – COMMON LAW TRADEMARK INFRINGEMENT**

17 **(Against All Defendants)**

18 127. Plaintiffs hereby restate and re-alleges the allegations set forth in the  
19 preceding paragraphs and incorporate them by reference as if fully set forth herein.

20 128. The acts complained of herein constitute trademark infringement in  
21 violation of the common law of the State of California and elsewhere.

22 129. As a direct and proximate result of Defendants' conduct, Plaintiffs have  
23 suffered damages to the Electrolit Marks and Trade Dress and other damages in an  
24 amount to be proved at trial.

25 130. Plaintiffs are entitled to, among other things, an order enjoining and  
26 restraining Defendants from selling any Unauthorized Electrolit, including, but not  
27 limited to, products intended for sale only in Mexico, as well as to Defendants' profits,  
28 Plaintiff's reasonable attorneys' fees and any other remedies provided for under the law.



1                   **COUNT VIII – COMMON LAW UNFAIR COMPETITION**

2                   **(Against All Defendants)**

3           131. Plaintiffs hereby restate and re-allege the allegations set forth in the  
4 preceding paragraphs and incorporate them by reference as if fully set forth herein.

5           132. The acts complained of herein constitute unfair competition in violation of  
6 the common law of the State of California and elsewhere.

7           133. As a direct and proximate result of Defendants' unfair competition,  
8 Plaintiffs have suffered irreparable harm to the valuable Electrolit Marks and Trade  
9 Dress and their reputation in the industry. Unless Defendants' conduct is restrained,  
10 Plaintiffs will continue to be irreparably harmed.

11           134. Plaintiffs have no adequate remedy at law that will compensate for the  
12 continued and irreparable harm they will suffer if Defendants' acts are allowed to  
13 continue.

14           135. As a direct and proximate result of Defendants' unfair competition,  
15 Plaintiffs have suffered damages, including lost profits and damages to the valuable  
16 Electrolit Marks and Trade Dress and other damages in an amount to be proved at trial.

17                   **COUNT IX – UNJUST ENRICHMENT**

18                   **(Against All Defendants)**

19           136. Plaintiffs hereby restate and re-allege the allegations set forth in the  
20 preceding paragraphs and incorporate them by reference as if fully set forth herein.

21           137. By selling the Unauthorized Electrolit bearing Plaintiffs' valuable  
22 trademarks, Defendants have been unjustly enriched to Plaintiffs' detriment in violation  
23 of the common law of California and elsewhere.

24           138. Under principles of equity, Plaintiffs are entitled to damages, restitution  
25 and/or disgorgement of Defendants' ill-gotten gains.

**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiffs pray for judgment as follows:

A. For judgment that:

1. Defendant has engaged in Federal Trademark Infringement in violation of the Lanham Act (15 U.S.C. § 1114);

2. Defendant has engaged in Induced and Contributory Trademark Infringement;

3. Defendant has engaged in False Designation of Origin in violation of 15 U.S.C. § 1125(a)(1)(A);

4. Defendant has engaged in Trademark Dilution in violation of 15 U.S.C. § 1125(c);

5. Defendant has engaged in Trademark Dilution in violation of Cal. Bus. & Prof. Code § 14247;

6. Defendant has engaged in Unfair Competition in violation of Cal. Bus. Prof. Code § 17200 et seq;

7. Defendant has engaged in Trademark Infringement in violation of the common law of the State of California;

8. Defendant has engaged in Unfair Competition in violation of the common law of the State of California; and

9. Defendant has engaged in Unjust Enrichment in violation of the common law of the State of California.

B. For preliminary and permanent injunctive relief restraining and enjoining Defendants and all of its agents, servants, employees, successors and assigns, and all persons in active concert or participation with Defendant (or its agents) from:

1. Selling, offering to sell, transporting, distributing, marketing, advertising, importing, or purchasing Electrolit branded products that are not authorized for sale in the United States market, including but not limited to the Unauthorized Electrolit;

2. Using any Electrolit Mark and/or any other confusingly similar designation, alone or in combination with other words, phrases, symbols or designs, in connection with its business, as trademarks, trade names, domain name components or otherwise, to market, advertise, or identify Defendant's goods;

3. Otherwise infringing the Electrolit Marks;

4. Representing by any means whatsoever, directly or indirectly, that any products or services offered or provided by Defendant are offered or authorized by Plaintiffs, or from otherwise taking any action likely to cause confusion, mistake, or deception on the part of consumers as to the source or origin of such products or as to any authorization, sponsorship, approval, or affiliation relationship between Defendant and Plaintiffs;

5. Affixing, applying, annexing, or using in connection with the manufacture, distribution, marketing, advertising, packaging, sale, and/or offering for sale or other use of any products, a false description or representation, including without limitation words, symbols, photographs, or product representations similar to those used by Plaintiffs, tending to falsely describe or represent such as being those of Plaintiffs;

6. Unfairly competing with Plaintiffs in any manner whatsoever or otherwise injuring their business reputation in the manner complained of herein;

7. From diluting any of the Electrolit Marks;

8. From assisting, aiding or abetting any other person or business entity in engaging in or performing any of the activities referred to in subparagraphs (B)(1) through (B)(7) above; and

9. Engaging in assignments or transfers, formation of new entities or associations or utilization of any other device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in sub-paragraphs (B)(1) through (B)(8) above.

1 C. An order, under 15 U.S.C. §§ 1116 and 1118, requiring Defendants  
2 (including its employees and agents) to deliver to Plaintiffs (or allow Plaintiffs to pick  
3 up), or requiring to be destroyed, all Unauthorized Electrolit that is in Defendants'  
4 possession, custody, or control.

5 D. An order, pursuant to 15 U.S.C. § 1116, requiring Defendants to file with  
6 this Court and serve upon Plaintiffs within 30 days after the entry of a preliminary or  
7 permanent injunction a report, in writing and under oath, setting forth in detail the  
8 manner in which Defendants have complied with the injunction and this Prayer for  
9 Relief.

10 E. An order:

11 1. Awarding Plaintiffs all profits received by Defendants from the  
12 sales and revenues of any kind made as a result of Defendants' sales of Unauthorized  
13 Electrolit, and damages, to be determined, that Plaintiffs have suffered as a result of  
14 Defendant's sales and marketing of Unauthorized Electrolit (including, but not limited  
15 to, Plaintiffs' lost profits, price erosion, and damages awarded pursuant to 15 U.S.C. §  
16 1117, trebled;

17 2. Awarding Plaintiffs' attorneys' fees and costs;

18 3. Awarding Plaintiffs damages, attorneys' fees, and costs to the fullest  
19 extent provided for by the United States statute and the common law of California,  
20 including exemplary and punitive damages;

21 4. Awarding Plaintiffs pre-judgment and post-judgment interest; and

22 5. Awarding Plaintiffs such other and further relief as this Court deems  
23 just and equitable.

**DEMAND FOR A JURY TRIAL**

Plaintiffs demand a trial by jury on all issues so triable.

DATED: October 2, 2023

Respectfully submitted,

ALSTON & BIRD LLP

/s/ Charles W. Cox

Charles W. Cox

*Counsel for Plaintiffs*

*Sueros & Bebidas Rehidratantes, S.A. de C.V.  
and CAB Enterprises, Inc*